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Mourners file past the coffin of Benigno Aquino, still in the blood-stained clothes he wore when he was shot. "I wanted the world to see what they have done to my son," Mrs. Aurora Aquino said.

Pleads not guilty to theft

Rewald seeks public defender

By Ken Kobavashi
Advertiser Courts Writer

Honolulu businessman Ronald R. Rewald says he can't afford a lawyer and yesterday asked a state judge to appoint a public defender to represent him in his trial on theft charges.

Rewald's request to be declared an "indigent" said he could not afford to hire an attorney because of rulings by federal Judge Martin Pence that froze all the assets belonging to him and his wife.

Rewald submitted his request for a public defender to state Circuit Judge Robert Won Bae Chang. No date has been set for a hearing by Chang on the matter.

Earlier in the day, Rewald and attorney Peter Wolff Jr. appeared before Chang and Rewald formally entered not-guilty pleas to two counts of first-degree theft. Rewald is accused of stealing some \$300,000 from two men who invested money in Rewald's investment consultant firm, Bishop, Baldwin, Rewald, Dillingham and Wong Inc.

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Chang scheduled Rewald's trial for the week of Oct. 31.

Wolff — a law partner with Brook Hart, who also represented Rewald — said the firm was withdrawing as Rewald's counsel because Rewald could not pay attorney fees. According to Wolff, his firm has not received any money from Rewald in the past.

Wolff obtained permission from Chang to speak to Rewald following the brief court hearing. Wolff said he told Rewald about the law firm withdrawing from the case. Rewald, who knew that the firm might pull out, took the news "resignedly," the attorney said.

Rewald was later returned to Oahu prison where he is being held, unable to post \$10 million bail.

Wolff's firm prepared the request for a public defender for Rewald. Attached to that request was Rewald's declaration that he is applying for a court-appointed lawyer

because he does not have "sufficient means or revenues" to hire one because of Pence's rulings.

"I make this application knowing that I may be required under law to contribute or make reimbursement toward lawyer's fees," the declaration said.

Rewald, 41, is the chief executive officer of the Bishop, Baldwin company that is being investigated by a number of federal agencies, including the Internal Revenue Service and the Securities and Exchange Commission.

The firm was forced into bankruptcy proceedings earlier this month.

Pence last week extended court orders freezing the assets of Rewald and the company after listening to federal bankruptcy trustee Thomas Hayes testify that \$10 million to \$12 million invested in the firm by about 400 people was "gone." Hayes and Pence said it appeared that large sums of money were diverted from the company to pay Rewald's personal expenses.

U.S. white-collar workers will get a surprise pay cut

By Mike Causey
Washington Post Service

less Congress repeals or extends it. Officials estimate it will save the government at least \$120

a year of 364-day year, one day short of the typical calendar year.

GAO suggested that the gov-

Frustrated to remember

Traffic came to a standstill in Kaneohe yesterday afternoon — for about three hours — because of a broken water main near

Maui Valley. Call 847-1156.

STLE MEDICAL CENTER needs volunteers. Call 847-337.

LAMA SETTLEMENT needs volunteers to work within an academic and sports program. 8 through Nov 11. Training offered. Call Kauai. 846-3945.

TCN (People Attentive to Children) needs a letter typist and a monthly updater for the 8th fl. Call 533-3270.

MINORITY CLEARINGHOUSE needs volunteers to manage and send meet collection, sorting orders, and coordinating requests from service orgs. Call 535-7234.

NTRAL OAHU COMMUNITY MENTAL HEALTH center of the state Department of Health needs staff to serve on its governing board, which is made of residents of Aiea, Pearl City, Wahiawa, Wailua and Haleiwa. Call 435-1035.

AMERICAN CANCER SOCIETY needs a tele-coordinator and volunteer drivers for "Angels" needs. Call 531-1241.

WALL SCHOOL OF PROFESSIONAL PSYCHOLOGY needs librarians, retired librarians or interested persons to assist in cataloging, shelving and related tasks. Call Nola Morgan, 585-7777.

TEENS AGAINST NOISE needs volunteers — live and clerical — one day per week, 9 a.m. to 4 p.m. Call 735-3508.

TECTION AND ADVOCACY AGENCY OF HAWAII needs volunteers to help in the office, and to provide transportation to developmentally disabled or frail elderly clients. Call 548-2922.

TASTES TENNIS FOUNDATION needs volunteer board members and associates for its Satellite Association. Call 737-4901.

LIBRARIANS or retired librarians needed to assist with cataloging, shelving and related duties at Hawaii College Library, 8 to 10 hours a week. Call Jim Catalista, 235-2641, ext. 300.

elp!

ABUSE TREATMENT CENTER at Kapiolani Community College, which recently developed an Abuse Bureau, provides volunteer speakers to schools, churches and community and div. groups. 17-885.

THOSE 60 AND OLDER, the Elderly Affairs Office of Human Resources, City and County of Honolulu, provides assistance on dis-reassurance visits, housing, transportation, legal meals, legal assistance, bus passes and education. Call 523-4545, Monday through 7:45 a.m. to 4:30 p.m.

START, a free smoking cessation program from American Cancer Society. Call 531-1669.

TECTION AND ADVOCACY AGENCY OF HAWAII offers services to developmentally disabled and elderly citizens and their families. Call 548-2922.

UA KALANI VALLEY CLINIC offers free or low-cost family planning services Monday through Friday at the clinic located near the Kam Shopping Center. Call 847-0411.

EWIS MEDICAL CENTER'S Queen Emma 1301 Punchbowl St. offers free pregnancy and free or low-cost family planning services. Long on income. Clinic hours: 9 a.m. to 4 p.m., 7-3588.

PEP CENTER for Displaced Homemakers offers job readiness training five days a week for 10 weeks. Call 538-7051.

FAMILY HEALTH LEARNING CENTER at the Children's Medical Center, Bingham Wing, 1st fl., and We Were Sad Remember? The 8th fl. Open 9:30 a.m. to 4:30 p.m., Monday through Friday, and has 110 hours of free or low-cost family planning services. Long on income. Clinic hours: 9 a.m. to 4 p.m., 7-3588.

BLOOD PRESSURE CHECKS on a 24-hour seven days a week, Castle Memorial Hospital, emergency room.

ECHE LEAGUE offers support and information to mothers who wish to breastfeed their babies. A series of four monthly meetings, literature and phone help. Call 395-8860.

IE TODAY COUNT, mutual support group for facing cancer and other life-threatening ailments. Meets the first and third Saturday of each month. Call 624-2041, or 262-9083.

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questions and vague accusations, but there were no indications that any of the several opposition groups would attempt to mount demonstrations against the government.

However, Malacanang Palace, the presidential residence, suggested that rumor, Enrile appeared smiling on television with Marcos last night.

Marcos said such rumors were the work of "vultures" in the opposition ranks who wanted to use Aquino's death to stir up anti-government hatred.

2010/08/10 : CIA-RDP90-00494R001100690033-5

pel that rumor, Enrile appeared smiling on television with Marcos last night.

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broad conspiracy. "This is the reason we begged him not to come back home now," he added.

At one point, Marcos suggested that the conspiracy might have been plotted by the communist guerrilla movement.

He called these "vultures" of the hate campaign, being waged against his government.

"I appeal to the people to maintain calm," he added.

The rumors that martial law would be imposed led to panic buying of food.

Rewald business: in the Ponzi tradition?

Federal Judge Martin Pence last week said that Ronald Rewald's investment company has all the makings of a Ponzi scheme, a phrase that police sometimes use to describe financial scams.

Basically, a Ponzi happens when a company promises people a high rate of return if they invest in a business. But instead of investing the money in a business that would generate a return, the scammers use the people's money to initially pay the investors a return that is higher than promised.

an Italian immigrant who thought, in 1919 that he had a quick way to get rich.

Former Wall Street Journal reporter David McClintock describes Ponzi's scheme in his 1977 book "Stealing from the Rich," which is about the \$130 million, Home-Stake Oil swindle of the mid-1970s.

The scheme, writes McClintock, involved so-called international reply coupons. At the time, European currencies were depressed in relation to the U.S. dollar. "Ponzi's idea was to send U.S. currency to confederates in Europe and have them convert it into their currencies, buy international reply coupons and send the coupons to him."

"He (Ponzi, who was small, dapper and 37) then would exchange them for U.S. stamps worth more, because of the higher


relative value of the dollar, than the money he had sent abroad. The profit, Ponzi figured, could exceed 200 percent.

"Ponzi offered to pay an investor \$1.50 in 45 days for every dollar invested. When word spread, crowds of investors outside Ponzi's Boston office grew so large that they blocked traffic. Ponzi found it was easier to pay off early investors with the contributions of later investors than to grapple with the mechanics of the coupon exchange, whose feasibility was questionable anyway."

"Ponzi took in more than \$10 million, but he didn't know when to stop. The scheme collapsed after several months under the weight of bad publicity and official investigations. Ponzi, who went to prison for fraud, was finally deported to Italy. He died a pauper in Brazil in 1949."

That initially high return lures more money from the investors, and new money from others. Gradually, the payments to investors are reduced until the fraud is discovered.

The phrase originates with Charles Ponzi,



Short drivers given 'O' restriction

DEAR MS. FIXIT: The photograph on my driver's license shows that I am a legal driver only when wearing eyeglasses. Why is it that those who are very short do not have an equivalent restriction noted on their licenses? We all see drivers stretching their necks to just barely see over the upper arc of the steering wheel, or even more frightening, those who must look out from application records.

DEAR MS. FIXIT: A long-vacant house next door to me on Kanehameha Highway recently has begun to collapse because of years of non-maintenance. Despite my complaints to the city Building Department, nothing has been done to correct the many dangers this structure poses — possible fire hazard, infestation with rats, mites, termites and going too far.

A — Drinking alcohol is not permitted on the premises, according to an official of the city Department of Parks and Recreation. He was supplied the name of the club so the proper follow-up procedures can be taken.

For immediate action, it is suggested you call the police on the spot or notify the on-duty person in charge at the